

# HOUSE BILL No. 1303

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-13-1-16.5; IC 4-13.6-6-2.8; IC 5-16-1-7.5; IC 8-10-1-7.7; IC 8-23-9-4.6; IC 36-1-12-5.5.

**Synopsis:** Indiana worker preference on public works projects. Establishes as a goal for the public works division of the department of administration that any state agency or commission entering into a public works contract, the port commission, the department of transportation, and local units of government must enter into contracts that provide that seventy-five percent (75%) of the persons employed by the contractor or any subcontractor are residents of Indiana. Provides that if it is not possible to employ seventy-five percent (75%) of the employees working on a contract who are residents of Indiana, the contractor must provide information on the reason the contractor or the subcontractors cannot meet the goal. Requires the commissioner of the department of administration to prepare an annual report for the public and for the legislative council on the percentage of residents of Indiana who are employed to perform public works contracts for the state.

**Effective:** July 1, 2007.

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January 16, 2007, read first time and referred to Committee on Labor and Employment.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1303

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 4-13-1-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 16.5. (a) As used in this section, "covered transaction" means the award of a contract under:**

- (1) IC 4-13.6-6-2.8;
- (2) IC 5-16-1-7.5;
- (3) IC 8-10-1-7.7; or
- (4) IC 8-23-9-4.6.

**(b) As used in this section, "resident of Indiana" means a person who:**

- (1) is at least eighteen (18) years of age; and
- (2) resides in Indiana for at least thirty (30) days before the date the person begins working on the contract or a subcontract entered into under the contract.

**(c) Beginning September 30, 2008, before October 1 of each year, the commissioner shall compile and make available for public inspection and for submission to the legislative council a report for**



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the preceding state fiscal year concerning the percentage of residents of Indiana who are employed by the contractors and subcontractors who are awarded contracts under this chapter, IC 5-16-1, IC 8-10-1, and IC 8-23-9. The report to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 2. IC 4-13.6-6-2.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2.8. (a) As used in this section, "resident of Indiana" means an individual who:

- (1) is at least eighteen (18) years of age; and
- (2) resides in Indiana for at least thirty (30) days before the date the individual begins working on the contract or subcontract entered into under the contract.

(b) When entering a bid under this chapter, each contractor shall provide the division with information on the number of residents of Indiana who will be employed by the contractor or any subcontractor.

(c) It is the goal of the state to award contracts to contractors who:

- (1) have residents of Indiana comprising at least seventy-five percent (75%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts with subcontractors who have residents of Indiana comprising at least seventy-five percent (75%) of the employees who work on the subcontract.

(d) If a contractor cannot meet the goal described in subsection (c), the contractor shall provide the division with information why the contractor cannot meet the goal described in subsection (c).

(e) Beginning June 30, 2008, before August 15 of each year, the division shall file with the commissioner a report concerning the percentage of residents of Indiana who are employed by each contractor and subcontractor to work on the contract or subcontract who has been awarded a contract under this chapter.

SECTION 3. IC 5-16-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7.5. (a) As used in this section, "resident of Indiana" means an individual who:

- (1) is at least eighteen (18) years of age; and
- (2) resides in Indiana for at least thirty (30) days before the date the individual begins working on the contract or subcontract entered into under the contract.

(b) When entering a contract under this chapter, each

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contractor shall provide the state or commission with information on the number of residents of Indiana who will be employed by the contractor or any subcontractor.

(c) It is the goal of the state to award contracts to contractors who:

(1) have residents of Indiana comprising at least seventy-five percent (75%) of the employees of the contractor who work on the contract; and

(2) enter into subcontracts with subcontractors who have residents of Indiana comprising at least seventy-five percent (75%) of the employees who work on the subcontract.

(d) If a contractor cannot meet the goal described in subsection (c), the contractor shall provide the state or commission with information why it is impossible to meet the goal described in subsection (c).

(e) Beginning June 30, 2008, before August 15 of each year, the state or commission entering into a contract under this chapter shall file with the commissioner of the Indiana department of administration a report concerning the percentage of residents of Indiana who are employed to work on the contract or subcontract by each contractor and subcontractor who has been awarded a contract under this chapter.

SECTION 4. IC 8-10-1-7.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7.7. (a) As used in this section, "resident of Indiana" means an individual who:

(1) is at least eighteen (18) years of age; and

(2) resides in Indiana for at least thirty (30) days before the date the individual begins working on the contract or subcontract entered into under the contract.

(b) When entering a contract under this chapter, each contractor shall provide the commission with information on the number of residents of Indiana who will be employed by the contractor or any subcontractor.

(c) It is the goal of the state to award contracts to contractors who:

(1) have residents of Indiana comprising at least seventy-five percent (75%) of the employees of the contractor who work on the contract; and

(2) enter into subcontracts with subcontractors who have residents of Indiana comprising at least seventy-five percent (75%) of the employees who work on the subcontract.

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(d) If a contractor cannot meet the goal described in subsection (c), the contractor shall provide the commission with information why it is impossible to meet the goal described in subsection (c).

(e) Beginning June 30, 2008, before August 15 of each year, the commission shall file with the commissioner of the Indiana department of administration a report concerning the percentage of residents of Indiana who are employed to work on the contract or subcontract by each contractor and subcontractor who has been awarded a contract under this chapter.

SECTION 5. IC 8-23-9-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.6. (a) As used in this section, "resident of Indiana" means an individual who:

- (1) is at least eighteen (18) years of age; and
- (2) resides in Indiana for at least thirty (30) days before the date the individual begins working on the contract or subcontract entered into under the contract.

(b) When entering a contract under this chapter, each contractor shall provide the department with information on the number of residents of Indiana who will be employed by the contractor or any subcontractor.

(c) It is the goal of the state to award contracts to contractors who:

- (1) have residents of Indiana comprising at least seventy-five percent (75%) of the employees of the contractor who work on the contract; and
- (2) enter into subcontracts with subcontractors who have residents of Indiana comprising at least seventy-five percent (75%) of the employees working on the subcontract.

(d) If a contractor cannot meet the goal described in subsection (c), the contractor shall provide the department with information why it is impossible to meet the goal described in subsection (c).

(e) Beginning June 30, 2008, before August 15 of each year, the department shall file with the commissioner of the Indiana department of administration a report concerning the percentage of residents of Indiana who are employed to work on the contract or subcontract by each contractor and subcontractor who has been awarded a contract under this chapter.

SECTION 6. IC 36-1-12-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.5. (a) As used in this section, "resident of Indiana" means an individual who:

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(1) is at least eighteen (18) years of age; and  
 (2) resides in Indiana for at least thirty (30) days before the date the individual begins working on the contract or subcontract entered into under the contract.

(b) When entering a bid under this chapter, each contractor shall provide the unit of local government with information on the number of residents of Indiana who will be employed by the contractor or any subcontractor.

(c) It is the goal of the state to award contracts to contractors who:

(1) have residents of Indiana comprising at least seventy-five percent (75%) of the employees of the contractor who work on the contract; and

(2) enter into subcontracts with subcontractors who have residents of Indiana comprising at least seventy-five percent (75%) of the employees working on the subcontract.

(d) If a contractor cannot meet the goal described in subsection (c), the contractor shall provide the unit of local government with information why it is impossible to meet the goal described in subsection (c).

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